

**TIMBERLAND BANCORP, INC.**

	CPP Disbursement Date 12/23/2008	RSSD (Holding Company) 2621548	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$718	\$731	1.8%		
Loans	\$538	\$543	1.0%		
Construction & development	\$110	\$87	-21.2%		
Closed-end 1-4 family residential	\$147	\$127	-13.5%		
Home equity	\$6	\$18	174.7%		
Credit card	\$0	\$0			
Other consumer	\$9	\$5	-41.0%		
Commercial & Industrial	\$17	\$26	51.6%		
Commercial real estate	\$218	\$246	12.9%		
Unused commitments	\$48	\$50	4.8%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$12	\$9	-22.8%		
Asset-backed securities	\$0	\$0	-20.4%		
Other securities	\$1	\$1	3.0%		
Cash & balances due	\$112	\$127	13.3%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$26	\$23	-11.6%		
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$27	\$24	-11.8%		
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$639	\$650	1.8%		
Deposits	\$578	\$589	2.0%		
Total other borrowings	\$59	\$59	-0.7%		
FHLB advances	\$55	\$55	0.0%		
Equity					
Equity capital at quarter end	\$79	\$81	2.1%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$5	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	10.4%	10.5%	--		
Tier 1 risk based capital ratio	14.0%	14.2%	--		
Total risk based capital ratio	15.2%	15.5%	--		
Return on equity <sup>1</sup>	7.2%	6.6%	--		
Return on assets <sup>1</sup>	0.8%	0.7%	--		
Net interest margin <sup>1</sup>	3.9%	3.9%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	44.4%	39.3%	--		
Loss provision to net charge-offs (qtr)	216.9%	104.3%	--		
Net charge-offs to average loans and leases <sup>1</sup>	0.3%	0.5%	--		
<sup>1</sup> Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	13.6%	16.2%	0.1%	0.6%	--
Closed-end 1-4 family residential	3.1%	2.3%	0.1%	0.1%	--
Home equity	4.7%	7.5%	0.9%	0.1%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.3%	0.0%	0.3%	0.0%	--
Commercial & Industrial	1.9%	1.2%	0.1%	0.0%	--
Commercial real estate	2.9%	4.2%	0.0%	0.2%	--
Total loans	4.9%	5.6%	0.1%	0.2%	--